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RUEHLO/AMEMBASSY LONDON PRIORITY 4453
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RUEHRO/AMEMBASSY ROME PRIORITY 0138
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1977
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C O N F I D E N T I A L KATHMANDU 002634

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ROME PLEASE PASS TO VATICAN CITY

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TAGS: [PGOV](#) [PTER](#) [PREF](#) [DA](#) [VT](#) [BT](#) [NP](#)
SUBJECT: AMBASSADOR TELLS DANISH AMBASSADOR AND VATICAN
ENVOY: BIGGEST CONCERN SHOULD BE PEACE NOT PROCESS

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

¶1. (C) In a meeting on September 26 with Danish Ambassador Thilstead and another on September 28 with Vatican Nuncio Quintana on September 28, the Ambassador stressed that Nepal's peace process was important, but most important was the outcome. Ambassador Thilstead, who had just hosted his Minister of Development Cooperation, emphasized his government's differences with U.S. policy. He repeatedly spoke of the importance of keeping the process going and was skeptical that the Maoists could take over and establish a people's republic. The Ambassador disagreed, saying the risk was a real one. Archbishop Quintana maintained that it was crucial to have peace, but he agreed with the Ambassador that peace at any price was no peace at all. He shared the Ambassador's conviction that the Government of Nepal had to enforce law and order. Thilstead also took the opportunity of the September 26 meeting to raise his concern about the lack of a solution to the problem of the Bhutanese refugees.

For Dane, Process Is Key

¶2. (C) After expressing his condolences to the Ambassador about the September 23 helicopter crash, Ambassador Thilstead stated outright that the Danish Government did not see Nepal's peace process the same way the United States and India saw it. It was extremely important, he said, to keep the process going. He said that in her meetings with a range of Nepalis his Minister of Development Cooperation Ulla Thoraes, who was in Nepal for four days until September 22, had heard that same message. The momentum, Thilstead said, needed to be maintained. He was critical of the Seven Party Alliance (SPA) government for not doing enough to break the "stalemate" in the peace talks. Efforts needed to be redoubled to bring the Maoists into the mainstream.

Outcome Is What Matters

13. (C) Ambassador Thilstead wondered aloud why the Ambassador seemed so determined to criticize the Communist Party of Nepal (Maoist) (CPN-M) and complicate the peace process when the end was in sight. Was it truly U.S. policy he asked? The Ambassador was firm in his response. What he was saying was no different from what every senior USG official had said in recent months, including Senator Specter and Congressman Kolbe: before they could enter an interim government, the Maoists had to give up their arms. Ambassador Thilstead argued the U.S. was asking too much. How could the U.S. (and India) expect the Maoists to be completely separated from their arms before a political deal? The Ambassador said that the USG was not going to tell the Government of Nepal how in detail to handle the issue of Maoist arms management. What mattered was the outcome: would the CPN-M still be able to threaten and terrorize the population?

Real Threat of a People's Republic

14. (C) The Ambassador pointed out to his Danish counterpart that many people had ridiculed him two years earlier when he had first begun drawing attention to the possibility of a Maoist takeover of Nepal. Now, he stated, Maoist Supremo Prachanda and his comrades were close to achieving their goal. It was ridiculous, he said, for people to accuse him of upsetting the peace process when it was the Maoists who were the ones threatening, abducting and killing innocent civilians. Ambassador Thilstead claimed that the situation was no different than before. The Ambassador sharply differed. Things were very different: before the CPN-M cadre were in the countryside, now they were running amok in

Kathmandu, too. The threat of a Maoist takeover was real. The Maoists were preparing to implement Lenin's tactics of a short, violent push against a weak, bourgeois government if it did not give them what they wanted at the negotiating table.

For Vatican Envoy, Process Important, But Peace Had to Be Real

15. (C) In a meeting on September 28, the Ambassador and the Papal Nuncio, who was visiting Nepal from his post in New Delhi, found their outlooks to have much in common. Archbishop Quintana spoke of the people's need for peace after 10 years of war. He had met, he said, the previous day with Prachanda and other senior Maoist leaders and had preached to them about the need for peace. They had, he stated, promised they wanted to join the political mainstream and would respect religious freedom if they came to power. The Papal envoy told the Ambassador that it was important to try to engage the Maoists, but he wholeheartedly agreed that the process could not be the end in itself. The parties should not be so foolish as to commit suicide by allowing the Maoists to take over completely. The Archbishop said the Catholic Church had a long experience with the horrors of Communism -- in Europe and elsewhere in the world. He agreed with the Ambassador that it was important to look beneath the Maoists' words to their actions. He voiced distress that the GON seemed to be turning a blind eye to Maoist threats and extortion. The Ambassador agreed; it was long since time to enforce law and order.

Problem of Bhutanese Refugees

16. (C) Ambassador Thilstead told the Ambassador that the Danish Government was very concerned about the continuing stalemate over the Bhutanese refugees. He was convinced, he said, that the Government of Bhutan had no intention of accepting back any refugees, ever. The Ambassador agreed. In response to a request for ideas, the Ambassador noted that he had attempted to persuade the Government of India to take some step to reassure the GON that it would not allow any further expulsions. That might then provide a basis for the

international community to put pressure on the GON to allow third-country resettlement. The USG was prepared, he said, to accept large numbers and, with the help of other countries, the issue could be resolved. If the problem lingered, Maoist infiltration would eventually destroy any chance of third-country resettlement.

Comment

¶7. (C) The Danish envoy is the most outspoken of those members of the diplomatic community who are willing to tolerate Maoist abuses in their desire to see peace. We will continue our efforts to stress the risks to the country and the region of a peace that is not based on an end to Maoist violence.

MORIARTY